



**City National Bank**  
of Plano

Independence at West 15th Street (Hwy. 544), P.O. Box 1840, Plano, Texas 75074, 214/596-6000

**Earl S. Holland, Jr.**  
President

11316  
JAN 3 1980 - 9 25 AM  
INTERSTATE COMMERCE COMMISSION  
JAN 3 1980 - 9 25 AM  
INTERSTATE COMMERCE COMMISSION

0-003A020  
JAN 3 1980  
Date  
Fee \$ 50.00  
ICC Washington, D. C.

December 31, 1979

Secretary of the Interstate  
Commerce Commission  
Washington, D. C. 20423

Re: Stephen H. Hochschuler, M.D.  
Railway Cars, TRAX 2000, 2001, 2002

Gentlemen:

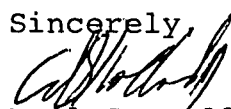
Enclosed are documents for recording our lien against  
the above referenced railway cars:

1. Two certified copies of the Bill of Sale from  
RailTex, Inc. to Dr. Stephen H. Hochschuler.
2. Two certified copies of the note and security agreement  
executed by Dr. Hochschuler to City National Bank of  
Plano.

Included in the property covered by the aforesaid mortgage  
or Deed of Trust are 3-Railway Cars, Ser. Nos. TRAX-2000,  
TRAX-2001, TRAX 2002 used or intended for use in connection  
with interstate commerce or interest therein owned by Dr.  
Stephen H. Hochschuler at the date of said mortgage or thereafter  
acquired by it or its successors as owners of the railway  
covered by said mortgage

Should we need to file any additional documents please call us  
collect 214/596-6000.

Sincerely,

  
Earl S. Holland, Jr.  
President

ESH/dm

Enclosure

**Interstate Commerce Commission**

**Washington, D.C. 20423**

**1/3/80**

**OFFICE OF THE SECRETARY**

**Earl S. Holland, Jr. Presi.  
City National Bank  
Independence at West 15th St.  
P.O.Box 1840 (HWY)  
544  
Plano, Texas 75074**

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **1/3/80** at **9:25am**, and assigned re-recording number(s). **11316 & 11316-A**

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

AFFIDAVIT

11316-*A*  
RECORDATION NO. .... Filed 1425

JAN 3 1980 -9 25 AM

INTERSTATE COMMERCE COMMISSION

STATE OF TEXAS  
COUNTY OF COLLIN

On this 25th day of October 25, 1979 before me personally appeared Stephen H. Hochschuler, M. D., to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

CITY NATIONAL BANK OF PLANO



Earl S. Holland, Jr. - President

Notary Public  
for Collin County

  
Debra McClellan

My commission expires 10/5/81

Hochschuler, Stephen H., M.D.  
(LAST NAME) (FIRST) (MIDDLE)

1524 Independence Pkwy., Suite C

Plano, Texas 75074

132,043.22  
TOTAL OF PAYMENTS

## INSTALLMENT NOTE

With Loan Statement  
Secured by Security Agreement

Plano, Texas

ESH/dm

Date October 25, 1979

FOR VALUE RECEIVED, I, we, or either of us, hereinafter called Debtor, jointly and severally, promise to pay to the order of

### CITY NATIONAL BANK of PLANO

1420 Independence Parkway  
Plano, Texas 75075

as Secured Party

the sum of One Hundred Thirty Two Thousand Forty Three & 22/100 DOLLARS (\$ 132,043.22 ),  
with interest at the highest legal rate from maturity until paid, payable in 59 monthly installments of \$ 1,315.00 each,  
and one installment of \$ 54,458.22 ; the first installment being due and payable on the 26th day of November 19 79 .  
and the remaining installments being due and payable on the same day of each succeeding month thereafter until this Note is paid in full.  
Said Note maturing October 26, 1984 .

Debtor agrees to pay a charge of five cents (5¢) for each one dollar of any scheduled installment when any portion of such installment continues unpaid for ten (10) days or more following the date such payment is due, including Sundays and Holidays, and if any installment is deferred as of an installment date for one or more full months with the consent of the Bank, Debtor agrees to pay deferment interest equal to the difference between the refund which would be required for repayment in full as of the date of deferment and the refund which would be required for payment in full one month prior to such date, multiplied by the number of months in the deferment period.

Debtor shall have the right at any time during regular business hours to repay this contract in full, prior to maturity and a refund of **FINANCE CHARGE** will be made in accordance with the **SUM OF THE PERIODIC BALANCES METHOD (RULE OF 78'S)**.

## LOAN STATEMENT

1. PROCEEDS	\$ 90,000.00
2. OTHER CHARGES ITEMIZED:	
Fees: Filing 56.00 Recording	
Other:	
	\$ 56.00
*A. Cost of Physical Damage Insurance (Required By Contract)	
DEBTOR MAY CHOOSE THE PERSON THROUGH WHOM THIS INSURANCE IS TO BE OBTAINED.	
(\$ ) (\$ ) (\$ )	\$ -0-
Collision Comprehensive Fire/Theft	\$ -0-
B. Liability insurance for debtor (at debtor's option, not required by contract.)	\$ -0-
DEBTOR MAY CHOOSE THE PERSON THROUGH WHICH THIS INSURANCE IS TO BE OBTAINED.	\$ -0-
C. The purchase of creditors insurance coverage is voluntary and not required for credit.	
This Insurance coverage is available at a cost of \$ -0- for the term of credit.	\$ -0-
Credit Life Credit H/A	
I do desire creditor's insurance.	
Debtor's Signature	Date
I do not desire creditor's insurance.	
Debtor's Signature	Date 10/25/79
*(2A.) Debtor may choose a person through which insurance is obtained, and the debtor shall have the option of furnishing said insurance either through existing policies of insurance owned or controlled by him or of procuring equivalent coverage through any insurance company authorized to do business in Texas.	
TOTAL OTHER CHARGES:	\$ 56.00
3. TOTAL AMOUNT FINANCED	\$ 90,056.00
4. FINANCE CHARGE	\$ 41,987.22
5. TOTAL OF PAYMENTS	\$ 132,043.22
6. ANNUAL PERCENTAGE RATE	13.01 %

INCONSISTENT STATE DISCLOSURES: The disclosures shown above are made in compliance with the Federal Truth-in-Lending Act. The following items required by the Texas Consumer Credit Code differ as to terms only and are disclosed as follows:

1. **PROCEEDS** is Amount of Cash Advance.
2. **FINANCE CHARGE** is Interest Charge.
5. **TOTAL OF PAYMENTS** is Amount of Loan.

To secure the payment of this note and any other indebtedness which is now or hereafter owed to the City National Bank, Plano, Texas by the undersigned, the Debtor grants to the City National Bank, Plano, Texas as Secured Party a security interest in the following described Collateral:

3-100-ton double hopper, 2000 cubic foot railroad cars w/center pockets, and gravity discharge. The cars will be increased to 2300 cubic feet capacity certain modifications. This modification will increase the height of the cars' sides, thereby increasing the cars capacity to 2300 cubic feet from 2000 cubic feet, Ser. Nos. 2000, 2001, 2002

Upon failure to pay any installment of this Note when due, or on failure to perform any of the obligations, covenants, or liabilities contained or referred to herein, or in the event of the bankruptcy, insolvency or death of the undersigned Debtor, or if at any time the City National Bank, Plano, Texas, in good faith, believes that the prospect of payment or performance of this contract by the Debtor is impaired, then upon the happening of any of said contingencies this contract shall be in default and the amount of this Note legally collectible, to-wit, the Total of Payments less the refund provided above then accrued, shall become immediately due and payable at the election of the holder hereof, without notice, and in such event the owner and holder of said Note may exercise any and all rights granted to a Secured Party after default by the terms of the Uniform Commercial Code and the Texas Consumer Credit Code: provided, however, that in the event of acceleration of maturity, necessary credits will be given so that in no event shall the charges to be paid hereon exceed the maximum Finance Charge provided by law.

We, the Makers, Co-Makers, Endorsers, Guarantors and Sureties hereof, herein collectively called "Debtor", jointly and severally, waive presentment for payment demand, protest, notice thereof and dishonor, and diligence in collecting, and agree to all renewals, extensions or partial payments hereon and to any release or substitution of security hereof, in whole or in part, with or without notice, before or after maturity, and consent that the time of payment may be extended from time to time without notice, and agree that additional makers, co-makers, guarantors, and sureties may become parties hereto without notice to us, or any of us without affecting our liability hereon. If default be made in any payment of this Note, and if this Note is collected by judicial proceedings, then each of the undersigned promises to pay the court costs, attorney's fees assessed by the court, and all other costs and expenses authorized by the Texas Consumer Credit Code and the Uniform Commercial Code.

Collateral will be used for:

- ☐ Personal  
☐ Family or Household Purposes  
☒ Business Use

Collateral will be kept at: Rolling Stock

If this Security Agreement is to be filed as a Financing Statement, check the appropriate block if ☐ Proceeds ☐ Products are covered for financing statement purposes. Coverage of proceeds or products for financing statement purposes is not to be construed as giving Debtor any additional rights with respect to the Collateral, and Debtor is not authorized to sell, lease, otherwise transfer, furnish under contracts of service, manufacture, process, or assemble the Collateral except in accordance with the provisions on the back of this Security Agreement.

The warranties, covenants and conditions contained on the reverse side hereof, and on the Accompanying Loan Application, are incorporated herein and made a part of this agreement for all purposes.

THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF A COPY OF THIS CONTRACT WITH ALL BLANKS COMPLETED.

Secured Party CITY NATIONAL BANK of PLANO	Home Phone	Debtor <input checked="" type="checkbox"/>
By <u>[Signature]</u>	Bus. Phone 596-3305	Debtor's Address Stephen H. Hochschuler, M.D.
Address Earl S. Holland, Jr. - President 1420 INDEPENDENCE PARKWAY	Home Phone	Co-Signer
	Bus. Phone	Co-Signer's Address

## DEBTOR FURTHER REPRESENTS, WARRANTS AND AGREES THAT:

1. That Debtor will pay the Note secured by this Security Agreement and any renewal or extension thereof and any other indebtedness hereby secured in accordance with the terms and provisions thereof and will repay immediately all sums expended by Secured Party in accordance with the terms and provisions of this Security Agreement.

2. The statements herein as to Debtor's residence and possession and use and location of the property specifically described herein are true, and that Debtor has or will acquire absolute title thereto free and clear of all liens, encumbrances and security interests except the Security Interest hereby given to the Secured Party and other rights, if any of this Secured Party, and Debtor will defend the goods against the claims and demands of all persons.

3. That no Certificate of Title and/or Financing Statement covering Collateral or any tires, radios, heaters, accessories, equipment, repairs or parts thereof are on file in any public office and that Debtor will execute all necessary instruments deemed necessary by Secured Party to perfect the Security Interest herein granted and will pay the cost of filing same.

4. That Debtor will promptly notify Secured Party in writing of any addition to, change in, or discontinuance of the place where Collateral is to be kept, or Debtor's chief place of business or Debtor's residence.

5. That Debtor will not permit any of the Collateral to be removed from the location specified herein, except for temporary periods in the normal and customary use thereof, without the prior written consent of the Secured Party, and will permit the Secured Party to inspect the Collateral at any time; Debtor will not use the Collateral in violation of any statute or ordinance, and Debtor will not remove or permit Collateral to be removed from the continental limits of the U.S.A.

6. That Debtor will not sell, transfer, exchange, encumber, lease or otherwise waste or dispose of the Collateral or any of Debtor's rights therein under this agreement, or permit any lien or security interest to attach to the same except that created by this agreement and other rights, if any, of the Secured Party, without first obtaining the written consent of the Secured Party.

7. Debtor grants to Secured Party a purchase money security interest in and to the Collateral and all proceeds, substitutions, increases, replacements for, accessions or attachments, and other additions to Collateral; but this provision shall not be construed to mean that Debtor is authorized to sell, lease or dispose of Collateral without Secured Party's consent. All equipment, tires, accessories and parts attached or added to the Collateral herein mortgaged shall at once by accession become a part thereof; that any repossession or retaking or sale of the Collateral herein mortgaged pursuant to the terms hereof, or transfer, renewal, extension or assignment of this contract or any interest thereunder, or loss, injury or destruction of the Collateral shall not release Debtor's obligations hereunder; that he keep said Collateral free of all taxes, liens and encumbrances; that any sum paid by Secured Party or its assigns, in payment or discharge of taxes, liens and encumbrances on said Collateral shall be secured by and under this contract; that Debtor will not use the said Collateral illegally, improperly or for hire; that Debtor is over 18 years of age and has no record or reputation of having violated any federal or state law relating to liquor or narcotics; nor has been convicted of a felony; that he will not transfer any interest therein without written consent of Secured Party.

8. The risk of loss of such Collateral shall be on Debtor. Debtor covenants and agrees to keep said Collateral insured against loss or damage by fire and theft, tornado, hail and collision, in such form and amounts as Secured Party or Secured Party's Assignee may require, loss, if any, to be payable to the Secured Party or Secured Party's Assignee as their respective interest in the Collateral may appear, and in case Debtor shall neglect or refuse to obtain insurance or to pay therefor, then the Secured Party or Secured Party's Assignee may, at its option, obtain such insurance, and pay all premiums therefor, and all sums of money thus expended are hereby secured by these premises and shall be payable with legal interest upon demand. That the proceeds of any insurance, whether paid by reason of loss, injury, return of premiums, or otherwise, shall, (at the election of the Secured Party or Secured Party's Assignee) be applied toward the replacement of the Collateral or the payment of this obligation; that he will pay all exchange charges on payments, and all recording, filing and satisfaction fees in connection herewith; that in the event of default in the performance of any obligation herein imposed, to reimburse Secured Party, or his assigns, for expense caused thereby; that Secured Party's Assignee shall be entitled to all the rights of the Secured Party; that Secured Party is authorized to correct errors in this contract.

9. Debtor will maintain Collateral in good condition and repair, and will pay all taxes, levies, and other impositions levied. Debtor will not use the Collateral in violation of any statute or ordinance and Secured Party will have the right to examine and inspect Collateral at any reasonable time.

10. This Security Interest grants to Secured Party a first and prior lien to secure the payment of the obligation set out above, and any extensions and renewals thereof and any other obligations which Debtor may owe Secured Party or its Assigns during the term of this agreement. If the Debtor defaults and the Secured Party disposes of the Collateral following default, the proceeds arising therefrom shall be applied first to the payment of the obligation set out herein and the renewals and extensions thereof. The Debtor is entitled to any surplus that may remain after the payment of the obligation set out herein, and after payment of all costs and expenses incident thereto, including attorney's fees allowed by the Texas Consumer Credit Code and the Uniform Commercial Code, and the Debtor shall be liable to the Secured Party for any deficiency that may arise from the repossession and sale of the Collateral.

11. That at Secured Party's option, Secured Party may discharge taxes, liens, interest, or perform or cause to be performed for and in behalf of Debtor any actions and conditions, obligations or covenants which Debtor has failed or refused to perform and may pay for the repair, maintenance, and preservation of Collateral and all sums so expended or any other costs or expenses shall bear interest from the date of payment at the rate of ten percent (10%) per annum and shall be payable at the place designated in the above described note and shall be secured by this Security Agreement.

12. That this Security Agreement, Secured Party's rights hereunder or the indebtedness hereby secured may be assigned from time to time, and in any such case the Assignee shall be entitled to all of the rights, privileges and remedies granted in this Security Agreement to Secured Party, and Debtor will assert no claims or defenses he may have against Secured Party against the Assignee, except those granted in this Security Agreement.

13. Upon Debtor's failure to pay when due any indebtedness secured by this Security Agreement, or the occurrence of any other event of default and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and may proceed to enforce payment of the same and exercise any and all of the rights and remedies provided by the Uniform Commercial Code as well as all other rights and remedies possessed by Secured Party. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at any place to be designated by Secured Party which is reasonably convenient to both parties. Secured Party shall have the right to take peaceful possession of the Collateral and remove the same and thereafter the Secured Party shall have the right to sell, lease or otherwise dispose of any or all of the Collateral in any manner permitted by the Uniform Commercial Code. The Secured Party is authorized to prepare the Collateral for sale and to make such repairs as may be needed thereto, and the expenses of retaking, holding, preparing for sale, selling or the like shall be paid out of the proceeds of any sale thereon, plus interest on such charges and expenses at the highest legal rate. The remedies of the Secured Party hereunder are cumulative, and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies hereby granted to the Secured Party. At any time when notice is required, the requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this Security Agreement at least five (5) days before the time that such action is taken or such sale is made.

14. Upon repossession all payments shall be retained by the Secured Party or Secured Party's Assignee as compensation for the use, damage and depreciation of said Collateral and not as a penalty. Secured Party may take possession of any other property in the above described Collateral at the time of repossession and hold the same temporarily for the Debtor without any responsibility or liability on the part of the Secured Party.

15. It is the intention of the parties to this instrument to conform strictly to the usury laws of the State of Texas which are now in force, and any interest charged under this contract shall be held subject to reduction to the amount allowed under said usury laws as now exist or may hereafter be enacted.

16. In the event this contract is placed in the hands of an attorney for collection through legal proceedings or otherwise, the undersigned Debtor will pay all charges, costs, reasonable attorney fees and expenses permitted by the Consumer Code.

17. Each maker, surety, guarantor and endorser waives all notices, demands for payment, presentations for payment, notices of dishonor, diligence in collecting or bringing suit against any party hereto, grace, protest and notice of protest, and notices of intention to accelerate the maturity; and agrees to the application of any bank balance or other property to the payment of this obligation or as an offset hereto.

I, WE, AGREE TO ALL OF THE ABOVE TERMS AND CONDITIONS:

